



Note: The following press release is an English translation of the Japanese-language original

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Completion of “Koriyama North Gas Pipeline” and Commencement of Natural Gas Supply

Japan Petroleum Exploration Co., Ltd. (hereafter, “JAPEX”) announces completion of the Koriyama North Gas Pipeline, which JAPEX has been constructing between Motomiya-City and Koriyama-City in Fukushima Prefecture, and commencement of natural gas supply on January 24th.

JAPEX has constructed and operated Niigata-Sendai Pipeline (261km, operation commenced April 1996) and Shiroishi-Koriyama Pipeline (95km, operation commenced March 2007), and has been supplying natural gas along the pipelines through JAPEX’s affiliate, TOHOKU NATURAL GAS Co., Inc., established jointly with Tohoku Electric Power Co., Inc.

The Koriyama North Pipeline is the 12km high pressure pipeline bifurcated from the Shiroishi-Koriyama Pipeline, within Motomiya-City situated in the north of Koriyama-City, and extends toward the Fukuyama-Town of Koriyama-City. JAPEX has made decision to start construction of this pipeline on July 24th, 2013 and has been proceeding with construction since then (Please refer to the News Release as of July 24th, 2013, “Koriyama North Pipeline to be Constructed”).

Tobu Gas Co., Ltd. Fukushima Branch (hereafter, “Tobu Gas”) has been supplying city gas to Koriyama-City, from end point of Shiroishi-Koriyama Pipeline located in the Western area of the Koriyama-city (Koriyama Valve Station). This time JAPEX has constructed the Koriyama North Gas Pipeline to respond to the growing demand of customers in Eastern area of the city, where industrial complex is located. By construction of this pipeline, JAPEX will be able to respond more flexibly to the customer’s demands, mainly for industrial use.

Additionally, JAPEX has been promoting project to construct Soma LNG Terminal in Soma Port (Shinchi-Town, Fukushima Prefecture) and new pipeline to connect this Terminal and Niigata-Sendai Pipeline aiming to commence on March 2018. JAPEX will further promote integrated operation and supply system (“Gas Integration”), in order to deliver natural gas and LNG produced from domestic and international gas fields to our customers, and will build energy network with excellent supply stability and security.

【Outline of Koriyama North Pipeline】

Section: From Motomiya-City, Fukushima Prefecture (gas pipeline bifurcation point from the Shiroishi-Koriyama Pipeline) to Fukuyama-Town of Koriyama-City, Fukushima Prefecture

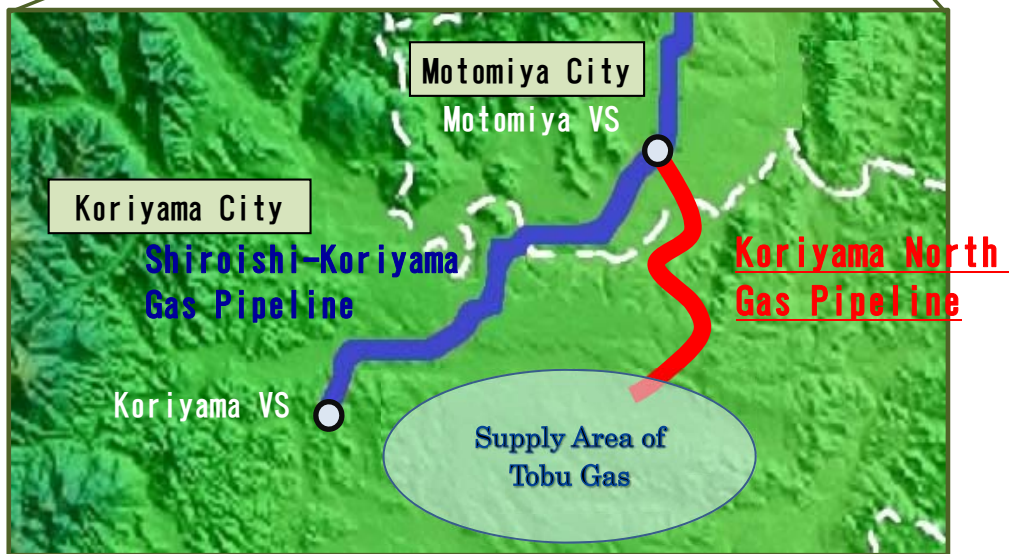
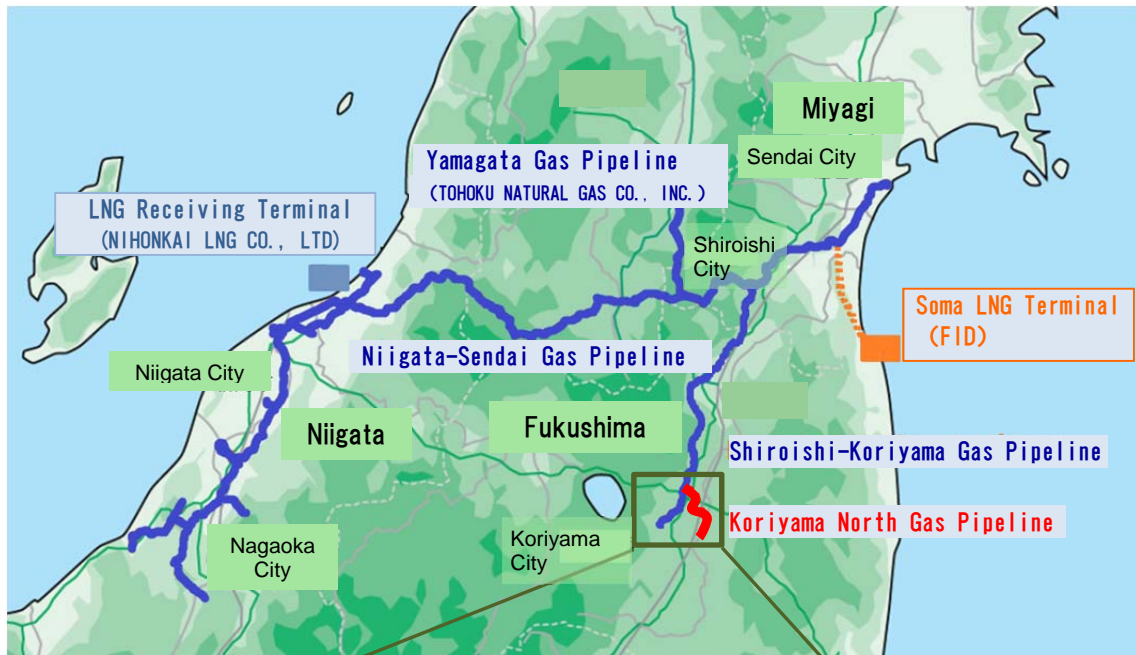
Length: Approximately 12km

Diameter: 6 inches (150mm)

Design pressure: 6.86MPa

Commencement of service: January 24th, 2015

【Natural gas pipeline network】



※VS=Valve Station